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The Permanent Mission of the Kingdom of the Netherlands to the United Nations presents its compliments to the Security Council Committee established by resolution 748 (1992) and has the honour to draw the attention of the Committee to the following.

A certain discrepancy seems to exist in the application of sanctions against Libya between the regime limiting trade with Libya and the regime with regard to financial transactions with that country.

Security Council resolution 883 (1993) of 11 November 1993 stipulates that trade with Libya is allowed except for those transactions and services mentioned in the resolution and its annex. Financial transactions, however, are basically prohibited: it is not allowed to provide currency and other capital to the State of Libya (including Libyan citizens and institutions) and Libyan funds should be frozen. This could mean that, although the trade of certain goods and services is allowed under resolution 883 (1993), in practice such trade is blocked by the financial restrictions under the resolution. However, the financial settlement of trade allowed under resolution 883 (1993) could also be seen as directly related to a legitimate transaction and therefore as a legitimate act itself.

The Permanent Mission would highly appreciate learning the Committee's opinion of this.

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